

IN THE CLAIMS

Please amend the claims as follows:

1-2. (Cancelled).

b 23. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim 10, characterized in that the headphone is provided with a sound transporting means (12) for transporting said first and second sound signals to said microphone.

34. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim 3, characterized in that the sound transporting means comprises a tube (12) for insertion in an ear of a user.

45. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim 10, characterized in that the microphone (6) is integrated in a headphone insertable inside the ear.

56. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim 10, characterized in that the headphone sound generating means is also used as said microphone.

67. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim 10, characterized in that the system comprises

means ~~to establish~~ for establishing a ~~the~~ relative position of the headphones and a stationary element of the system.

78. (Currently Amended) ~~Sound~~ The sound reproducing system as claimed in claim 67, characterized in that an emitter of a signal or sensor for localizing signals is positioned near or ~~at~~ at least at one headphone an emitter of a signal or sensor for localization signals is present, and the fixed part comprises a sensor or emitter, respectively, for localizing signals.

89. (Cancelled).

10. (New) A sound reproducing system including at least one external sound source, headphones and means for generating an input sound signal for said at least one external sound source and said headphones, said headphones comprising:

5 sound generating means for receiving said input sound signal; and

means for controlling an output signal generated by said sound generating means for simulating external sound sources, characterized in that said controlling means comprises:

10 a microphone positioned in close proximity to said sound generating means, said microphone receiving a first sound signal from said sound generating means and a second sound signal from

said external sound source, said microphone generating a resultant signal;

15 means for modifying the input sound signal applied to said sound generating means;

means coupled to receive said resultant signal for adjusting said modifying means until said resultant signal is substantially zero; *whereby, the user of earphone hears nothing*

20 means for recording settings of said adjusting means; and

*B1*  
means for applying said input sound signal to said at least one external sound source during a set-up mode while said adjusting means adjusts said modifying means, and for removing said input sound signal from said at least one external sound source and  
25 for causing said adjusting means to use said recorded settings during a operating mode, whereby in said operating mode, a user of the headphones perceives a phantom sound source corresponding to said at least one external sound source.

11. (New) The sound reproducing system as claimed in claim 10, wherein said controlling means further comprises:

means for generating a known signal for said input sound signal;

5 means for measuring and recording data corresponding to the resultant signal in said operating mode when said headphone is placed on a standard head;

means for comparing said recorded data with data  
corresponding to an actual resultant signal when said headphone is  
10 placed on a user's head; and

means for further adjusting said modifying means until  
said data corresponding to said actual resultant signal equals said  
recorded data.